MR. CHAIRMAN: Please. Let us proceed with Question Hour. ...*(Interruptions)*...

SHRI SATISH CHANDRA MISRA: Let him give an answer later on and for that direction can be given. ...*(Interruptions)*... It is a question of reservation with respect to the Scheduled Castes and Scheduled Tribes. ...*(Interruptions)*...

SHRI SONTOSH MOHAN DEV: Whatever you are saying of this company and closed companies, SC/ST quotas *are...(Interruptions)*...

MR. CHAIRMAN: Please, we go to the next Question No. 83.

*83.[The *questioner (s) (Shri Ekanath K. Thakur) was absent. For answer vide Page. 19]*

## भारत में मुद्रास्फीति की दर

84. डा. मुरली मनोहर जोशी:
श्री राज मोहिन्दर सिंह मजिठा:

क्या वित्त मंत्री यह बताने की कृपा करेंगे कि:

क) क्या यह सच है कि सितम्बर, 2007 से जनवरी, 2008 की अवधि के दौरान भारत में मुद्रास्फीति की दर विश्व की अन्य प्रमुख अर्थव्यवस्थाओं की तुलना में अधिक रही है;

(ख) यदि हां, तो तत्संबंधी ब्यौरा क्या है;

(ग) उपर्युक्त अवधि के दौरान अमरीका, इंग्लैंड, यूरोपीय देशों, जापान और चीन में मुद्रास्फीति की औसत दर कितनी-कितनी रही है; और

(घ) उक्त दर भारत में मुद्रास्फीति की औसत दर से कितनी कम या अधिक है?

वित्त मंत्री ( श्री पी. चिदम्बरम) : (क) से (घ) एक विवरण सभा पटल पर रखा गया है।

**विवरण**

(क) से (ग) भारत में औद्योगिक कामगारों के उपभोक्ता मूल्य सूचकांक (सीपिआई-आईडब्ल्यू) पर आधारित मुद्रास्फीति की दर सितंबर, 2007 में 6.4 प्रतिशत से गिरकर जनवरी, 2008 में 5.5 प्रतीशत पर आ गई । प्रमुख विकसित अर्थव्यवस्थाओं में सितंबर 2007 से मुद्रास्फीति की दर बढ़ी है। प्रमुख अर्थव्यवस्थाओं मे उपभोक्ता मुल्य सूचकांक (सीपीआई)द्वारा यथामापित मुद्रास्फीति की दर सितंबर 2007 में संयुक्त राज्य अमरीका में 2.8 प्रतिशत, यूके में 1.8 प्रतिशत और यूरो क्षेत्र में 2.1 प्रतिशत की तुलना में जनवरी 2008 में क्रमश: 4.3 प्रतिशत, 2.2 प्रतिशत और 3.2 प्रतिशत थी। जापान में मुद्रास्फीति सितंबर 2007 के -0.2 प्रतिशत से बढ़कर दिसंबर 2007 में 0.7 प्रतिशत और चीन में यह सितंबर 2007 के 6.2 प्रतिशत से बढ़कर जनवरी 2008 में 7.1 प्रतिशत हो गई। भारत मे, सितंबर 2007 से जनवरी 2008 की अवधि के दौरान, औसत मुद्रास्फीति 5.7 प्रतिशत थी। सितंबर 2007 से जनवरी 2008 की अवधि के दौरान, औसत उपभोक्ता मूल्य सूचकांक मुद्रास्फीति अमरीका, यूके, यूरो क्षेत्र, जापान (सितंबर 2007-दिसंबर 2007) और चीन में क्रमश: 3.8 प्रतिशत, 2.1 प्रतिशत,2.8 प्रतिशत 0.4 प्रतिशत और 6.6 प्रतिशत थी ( सारणी 1) ।

(घ) यद्यपि अन्य प्रमुख अर्थव्यवस्थाओं – अमरीका, यूके, यूरो क्षेत्र और जापान में औसत मुद्रास्फीति दर, भारत की मुद्रास्फीति दर की तुलना में कम थी, परन्तु चीन में मुद्रास्फीति –दर भारत मुद्रास्फीति की अपेक्षा अधिक थी।

सारणी 1: उपभोक्ता मूल्य सूचकांक पर आधारित वार्षिक मुद्रास्फीति की दर (प्रतिशत)

| माह/वर्ष | भारत | यूएस | यूके | यूरोपीय देश (यूरो क्षेत्र) | जापान | चीन |
|---|---|---|---|---|---|---|
| सितंबर-2007 | 6.4 | 2.8 | 1.8 | 2.1 | -0.2 | 6.2 |
| अक्तूबर-2007 | 5.5 | 3.5 | 2.1 | 2.6 | 0.3 | 6.5 |
| नवंबर-2007 | 5.5 | 4.3 | 2.1 | 3.1 | 0.6 | 6.9 |
| दिसंबर-2007 | 5.5 | 4.1 | 2.1 | 3.1 | 0.7 | 6.5 |
| जनवरी-2008 | 5.5 | 4.3 | 2.2 | 3.2 | उपलब्ध नहीं | 7.1 |
| औसत (सितंबर-जनवरी) | 5.7 | 3.8 | 2.1 | 2.8 | 0.4* | 6.6 |

सभा में यह प्रश्न श्री मुरली मनोहर जोशी द्वारा पूछा गया ।

**Inflation rate in India**

†*84. DR.MURLIMANOHARJOSHJ:tt
SHRI RAJ MOHINDER SINGH MAJITHA:

Will the Minister of FINANCE be pleased to state:

(b) whether it is a fact that during the period from September, 2007 to January, 2008 the inflation rate in India has remained high in comparison to the other leading economies of the world;

(c) if so, the details thereof;

(d) what has been the average inflation rate during the above said period in America England, European countries, Japan and China; and

(e) the extent to which this rate is more or less, in comparison to the average inflation rate of lndia?

THE FINANCE MINISTER (SHRI P. CHIDAMBARAM): (a) to (d) A Statement is placed on the Table of the House.

**Statement**

(a) to (c) In India, rate of inflation, based on Consumer Price Index for industrial workers (CPI-I W) declined from 6.4 per cent in September-2007 to 5.5 per cent in January 2008. Rate of inflation in major advanced economies firmed up beginning September 2007. Amongst major economies, rate of inflation in January 2008, as measured by the consumer price index (CPI), was 4.3 per cent in the US, 2.2 per cent in the UK, 3.2 per cent in the Euro area as compared with 2.8 per cent, 1.8 per cent and 2.1 per cent, respectively, in September 2007. In Japan, inflation increased to 0.7 per cent in December 2007 from -0.2 per cent in September 2007 and in China to 7.1 per cent in January 2008 from 6.2 per cent in September 2007. The average inflation in India was 5.7 per cent for the period September 2007-January 2008. The average CPI inflation during the period September 2007-January 2008 for the US, the UK, Euro area, Japan (September 2007-December 2007) and China was 3.8 per cent, 2.1 per cent, 2.8 per cent, 0.4 per cent and 6.6 per cent, respectively (Table I).

(d) While the average inflation rate in other leading economies—US, UK, Euro area and Japan was less than in India, inflation rate in China at 6.6 per cent was higher than inflation in India.

*Table J: Annual Inflation Rates based on Consumer Price Index (Per cent)*

| Month/Year | India | (US) | (UK) | European country (Euro area) | Japan | China |
|---|---|---|---|---|---|---|
| Sep. 07 | 6.4 | 2.8 | 1.8 | 2.1 | -0.2 | 62 |
| Oct. 07 | 5.5 | 3.5 | 2.1 | 2.6 | 0.3 | 6.5 |
| Nov. 07 | 5.5 | *43* | 2.1 | 3.1 | 0.6 | 6.9 |
| Dec. 07 | 5.5 | 4.1 | 2.1 | 3.1 | 0.7 | 6.5 |
| Jan. 08 | 5.5 | 4.3 | 22 | 32 | na | 7.1 |
| Average (Sept.-Jan) | 5.7 | 3.8 | 2.1 | 2.8 | 0.4* | 6.6 |

Average September to December, 2007 for Japan.

† The question was actually asked on the floor of the House by Dr. Murli Manohar Joshi.
†Original notice of the question was received in Hindi.

डा. मुरली मनोहर जोशी: सभापति जी, इसमें जो वक्तव्य दिया गया है और सदन के पटल पर रखा है, उससे एक बात जाहिर होती है कि हमारे भारतवर्ष का सितम्बर, 2007 से जनवरी, 2008 तक Consumer Price Index का औसत 5.7 परसेंट था और बाकी देशों का 3.8, 2.1, 2.8 परसेंट था, जबकि चीन का 6.6 परसेंट था । अब सवाल यह है कि इस समय जो स्थिति है, यह तो जनवरी तक की हालत है, एक तो अब growth slow down हो गई, दूसरे दुनिया भर में अनाज के दाम बढ़ रहें आई। हमारे देश में भी नमक का दाम 5 परसेंट बढ़ गया । ज्वार, बाजार, गेहूँ, मूँग, चाय, मसाले, सबके दाम बढ़ते जा रहे हैं। मैं यह जानना चाहता हूं कि अब इस Consumer Price Index का आगे के महीनों मे क्या estimate है, सामान्य इंडस्ट्रियल वर्कर्स के लिए, एग्रिकल्चरल लेबर के लिए और एग्रिकल्चरल रुरल लेबर के लिए? Vulnerable section, जो अपना 55 परसेंट food stuff पर खर्च करता है, उसके लिए यह price index कहां जाएगा, इसके बारे में सरकार ने कोई estimate किया है और अगर किया है, तो उसको रोकने के लिए क्या इंतजाम है?

SHRI P. CHIDAMBARAM: Sir, the Reserve Bank of India put out its Annual Monetary Policy Statement which estimated that the inflation in the current year would be between 4.S per cent and 5 per cent and the effort was to contain it below 4.5 per cent. I have said that the effort is to contain it below 4.5 per cent and keep it closer to 4 per cent. I agree with the hon. Member. There is some pressure on the food prices and on a number of occasions I have explained tried to explain—why there is pressure on food prices. There is a supply-demand mismatch in India. There are a number of factors that affect the food prices. Firstly, the production has stagnated for several years. We had a supply-demand mismatch in wheat, rice and pulses for many years. So far as edible oil and pulses are concerned, we always imported some pulses and edible oil. International prices have risen. As I said in my Budget Speech, and I said again that wheat prices have risen by 88 per cent world-wide and rice prices by 15 per cent since April of this year. We have increased MSP for wheat and rice significantly over the last three years. Finally, the demand has also risen because of money supply having increased. Thanks to higher rate of investment, Investment to GDP ratio is now over 36 per cent. So, all these factors together have put some pressure on prices. Now, what can the Government do and what will the Government do? The Government will carefully watch the situation and take such monetary measures which are necessary. As the hon. Member knows, monetary measures have a flip side. The interest rate will rise. Therefore, we have to balance between price stability and growth. The second measure that the Government must take is to reduce the supply-demand mismatch. It is the management of the supply side which is the most challenging task in this year, as well as. in 2008-09, and the Government has taken and will take measures to manage the supply side of food articles.

डा. मुरली मनोहर जोशी: सभापति जी, यह जो बात कही गई है, वह ऐसी बात है, जिसमें कोई ठोस जवाब नहीं है, यानी यह जवाब बिल्कुल ठोस नहीं है कि पहले गवर्नमेंट लेगी, फिर वह मेजर करेगी । हम यह जानना चाहते थे कि क्या गवर्नमेंट का कोई रोड मैप है? क्या आपने कोई नक्शा बनाया है कि अगर ऐसा होगा तो ऐसा करेंगे और वैसा होगा तो वैसा करेंगे? खतरे बहुत बढ़ रहे हैं, तेल के दाम बहुत बढ़ रहे हैं, फिर आपने स्वयं ही इन्फ्लेशनरी बजट बनाया है। बहुत बडी मात्रा में आप पैसा बाजार में फैकेंगे। अब आपके सामने यह संकट है कि या तो आप ग्रोथ कम करेंगे या लोगों के लिए महंगाई कम करेंगे।

मैं यह जानना चाहता हूं कि इस तरह से आप इस देश को और हमें कहां फैकना चाहते है? आपने जो मोनिटरी और खास तौर पर मैक्रो इकोनॉमिक्स के सवाल हैं, उनके बारे में हम जानना चाहेंगे कि आप हमको कहां ले जाना चाहते है? अगर ग्रोथ घटेगी तो फिर उसके परिणाम और ही होंगे। आपका हिसकल डेफिसिट बढ़ता जा रहा है। मेरे कहने का मतलब यह है कि सामान्य रुप से यह कह देना कि हम यह करेंगे, वह करेंगे, वित्त मंत्री जी, बात ऐसे नहीं बनती है। हम यह जानना चाहते हैं कि आप क्या स्टैप्स लेंगे? क्या आप अनाज इम्पोर्ट करेंगे, क्योंकि इतनी जल्दी आप पैदा तो कर नहीं सकते, उसमें तो टाइम लगेगा। अगर आप इम्पोर्ट करेंगे तो पहले ही उसका दाम बहुत ज्यादा है, क्योंकि वर्ल्ड प्राइसिज बढ़ते जा रहे हैं। आप इम्पोर्ट करेंगे तो प्राइसिज़ और बढ़ेंगे। सवाल यह है कि इस गोरखधंधे से आप हमें कैसे निकालेंगे?

यह जिम्मेदारी तो आपकी ही है। मैं जानना चाहूंगा कि इसके बारे में आप सदन को और देश को बताइए कि मनी सप्लाई, ग्रोथ और प्राइसिज, इन तीनों का मिसमैच आप कैसे दूर करेंगे? कितने दिनों तक हम इसी गोरखधंधे में पड़े रहेंगे और आप इस देश को कहां ले जाऐंगे?

SHRI P. CHIDAMBARAM: Sir, hon. Member, in the last part of his question, asked a specific question, "How do we propose to remove the mismatch?" The National Food Security Mission and the *Rashtriya Krishi Vikas Yojana* are designed to remove the mismatch. The goal is to increase rice production by 10 million tonnes, wheat production by eight million tonnes and pulses production by two milion tonnes. This is the most comprehensive programme that has been devised in the recent past to sharply step up total production of rice, wheat and pulses. We have allocated, as hon. Member knows, Rs. 25 thousand crores for one Mission and Rs. 4,882 crores for the other Mission. If we are able to step up production, that will certainly help the supply side, and medium to long term answer is to augment the supply side of food articles.

श्री राज मोहिन्दर सिंह मजीठाः आदरणीय सभापति जी, मैं आपके माध्यम से मिनिस्टर साहब से यह इन्फॉर्मेशन चाहूंगा कि भारत में महंगाई लगातार बढ़ रही है और सरकार बार-बार इस महंगाई पर चिंता भी प्रकट करती है, परन्तु समझ में नहीं आता कि सरकार महंगाई कम करने की कोशिशों में फेल क्यों हो रही है । समय-समय पर महंगाई बढ़ने के सरकार अलग-अलग कारण बताती है । पहले सरकार कहती थी कि सप्लाई कम है, किन्तु बात में सरकार ने सप्लाई के आंकड़े देते हुए कहा है कि सप्लाई पिछले कुछ सालों से ज्यादा हुई है । अभी 2008 में महंगाई बढ़ने का कारण नमक की किमतें बढ़ना बताया गया है, परन्तु देश में नमक का उत्पादन देश की जरुरत से कम नहीं हुआ है कभी सरकार यह कहती है कि इंटरनेशनल प्राइस बढ़ने से भारत में प्राइस बढ़ रहे हैं...(**व्यवधान**)...

श्री सभापतिः आप सवाल पूछ लें।

श्री राज मोहिन्दर सिंह मजीठाः परन्तु मैं एक उदाहरण देना चाहता हूं। स्किम्ड मिल्क पाउडर की किमत इंटरनेशनल मार्किट में 4100 डॉलर से 3000 डॉलर प्रति टन हो गई है, परन्तु देश में स्किम्ड मिल्क पाउडर कि कीमत कम नहीं हुई है।

सर, मैं जानना चाहता हूं कि आने वाले समय में महंगाई पर कंट्रोल करने के लिए सरकार वास्तव में क्या उपाय कर रही है?

SHRI P. CHIDAMBARAM: Sir, I think, I have answered the question, but I will be happy to answer the question again. As long as there is supply-demand mismatch, as long as the total output does not increase to meet the rising demand, there will be some pressure on prices. In addition, we give better prices to farmers, and, even on the prices that we have announced for farmers, the farming community and those who speak for the farming community say that it is inadequate. We have given Rs. 1,000/- per quintal for wheat, we have given Rs. 745/- per quintal for paddy, and, there is a demand that we should give Rs. 1,000/- per quintal for paddy. If the farmers get better prices, it will inevitably reflect in consumer prices. In addition, the world prices of all food articles are on the rise and that will necessarily impact prices and the sentiments among farmers and those who deal in farm goods in India. Therefore, the long-term answer, the medium to long-term answer is to increase production, increase output, and, that is, precisely what the Government is aiming to do.

SHRIMATI BRINDA KARAT: Sir, this is the first time that the Finance Minister has come to this House after presenting the Budget. If it was the question of Rs. 60,000 crores, we would have the opportunity to welcome it and to say, amr 5$^ an^ 1

But anyway, since that is not the question here and we are talking about inflation. 1 can only say that this reflects utter failure of the Government on the most important front. The question that I want to ask pertains to the first sentence of the Minister's reply, and, I quote, " In India, rate of inflation, based on Consumer Price Index for Industrial Workers (CPI-IW) declined from 6.4 per cent in September, 2007 to 5.5 per cent in January, 2008." And, I think, this symbolises actually a fraud on the workers, because as we all know, the prices of essential because as we all know the prices of essential commodities are going up but in the main commodities of the basket in which inflation rate is calculated there is a trade unions have given detailed alternative calculations and by when can we expect this to be done?

SHRI P. CHIDAMBARAM: This does not fall under the Ministry of Finance. I am merely reproting what the Ministry, which deals with the price index, has put out. But I shall certainly pass on the question to the concerned Minister and request him or her to reply to this.

SHRI SANTOSH BAGRODIA: Mr. Chairman, Sir, I will start with what the hon. Minister has mentioned about the mismatch. I appreciate that because of the mismatch, this inflation rate is increasing. But I would like to ask a question from the hon. Minister. Sir, if you remember, *'dal'* was exported by his officers, who were responsible for it,and, Sir, *'dal'* was exported when there was acute shortage of it in the country. What action has been taken in that respect by his department on these Customs officers? *(Interruptions)* Sir, *'dal'* means 'pulses'. Let me complete. Similarly, Sir.I would like to know as to what is the ratio in inflation rates in the basket between the essential commodities and non-essential commodities.

SHRI P. CHIDAMBARAM: Sir, I am little puzzled by the statement that officers in the Ministry of Finance exported *'dal'* I can assure the hon. Member that no officer of the Ministry of Finance has exported *'dal' ...(Interruptions)...*

SHRI SANTOSH BAGRODIA: No, no, Not exported. *...(Interruptions)...* That was the time, when the prices were double ...(Interruptions)... And, his officers *...(Interruptions)...*

MR. CHAIRMAN: Please let the hon. Minister proceed. *...(Interruptions)...* Please.

SHRI SANTOSH BAGRODIA: His officers were in collusion with the exporters, and, that is why, *'dal'* was exported. *...(Interruptions)...* I am asking that question. I understand what is 'export'. *... (Interruptions)...*

MR. CHAIRMAN: Please. *...(Interruptions)...* Please. *...(Interruptions)...*

SHRI SANTOSH BAGRODIA: I understand 'business' as much as he understand. I am asking a question whether his officers were involved or not. Sir, on the floor of the House, it had been confirmed that enquiry will be done. I would like to know about that enquiry *...(Interruptions)...* or, if not now, let him reply later.

SHRI P. CHIDAMBARAM: Sir, there was a case where some instances of irregular exports were detected. No officer of the Ministry or Department of Customs is involved. This revolved around the interpretation of the foreign trade policy. And, whether after the ban, certain exports took place by predating some LCs. No officer from the Department of Customs was involved.

Sir, the second question was about the contrbution of essential commodities. The essential commodities are 30 in number. They have a weight of 17.6 per cent in the Wholesale Price Index. Primary articles have 22, fuel, power, light has 14.2, manufactured products have 63.5, and that makes the total weight 100. The contribution of primary articles to inflation during

the period 2007-08, up to February 16 was 22.67. Of this, the contribution of food articles was 9.66 ...*(Interruptions)*...

SHRIMATI BRTNDA KARAT: Sir, he is answering the question ...*(Interruptions)*...

MR. CHAIRMAN: Please, please... *(Interruptions)*... Let the question... *(Interruptions)*...

SHRI P. CHIDAMBARAM: Let me finish the reply ...*(Interruptions)*...

SHRI SANTOSH BAGRODIA: I am happy with his reply, Sir, ...*(Interruptions)*...

SHRI P. CHIDAMBARAM: I am answering the question. ...*(Interruptions)*... It is a very technical question. He wants to know the contribution of primary articles and food articles to overall ...*(Interruptions)*...

MR. CHAIRMAN: Dr. Malaisamy.

DR. K. MALAISAMY: Thank you, Mr. Chairman, Sir. The hon. Minister has already conceded that the Indian rate of inflation is much higher than the other countries except China. He has also said that there are various reasons, particularly he was pointing out the mismatch between demand and supply. Taking into account all these things, I am inclined to ask the hon. Minister, to control this kind of thing whether there are factors, out of them what are the areas of controllable factors and what are the areas of uncontrollable factors. If there are certain uncontrollable factors to be dealt with, what is your specific all out efforts to control and contain the uncontrollable factors to moderate the inflation rate.

SHRI P. CHIDAMBARAM: Sir, there are some factors which are not in our control. For example, the price of crude oil is not in our control. Among commodities, the prices of a large number of metals are not under our control. As far as food prices are concerned, if India is nearly self-sufficient in wheat, rice, pulses, edible oil, we are largely insulated from world prices. But if we are dependent on imports, to that extent, we are subject to world prices.and to that extent, it is beyond our control. For example, edible oil. Edible oil price has increased by over 100 per cent from the exporting countries like Malaysia and Indonesia in the last few months, and we are dependent on importing edible oil. Similarly, pulses. We import pulses. Pulses are not available in many countries of the world and prices of pulses have also gone up. Therefore, to the extent that we are dependent on imports like crude oil, metals, edible oil and pulses, we are not insulated from world prices. What is it that is within our control? It is certainly within our control to increase production and productivity. Yield gap between State and State is so large. If we can get the yield out of a Bihar field equal to the yield a Punjab field, we will be nearly self-sufficient. Monetary policy is also withing our control. But, monetary policy is within the domain of the Reserve Bank of India and the Reserve Bank's stated goal, as is Government's goal, is to ensure growth with reasonable price stability.

**Fall in the Sensex**

*85. "SHRI P.R. RAJAN:

SHRIMATI SUSHMA SWARAJ:

Will the the Minister of FINANCE be pleased to state:

(a) whether Government has assessed the reasons for the recent fall in the Sensex;

(b) if so, the details thereof;

(c) the details of loss incurred by investors in the recent crash of Sensex; and